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US forced to rethink Panama policy

By George D. Moffett III

Staff writer of The Christian Science Monitor

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In the wake of public disclosure of corruption charges directed at Panama's military leader, Reagan officials are searching for ways to encourage political change in Panama without jeopardizing key United States interests there, sources here say. Meanwhile, though, the administration is maintaining public silence on allegations of widespread official corruption by Gen. Manuel Antonio Noriega.

The allegations against General Noriega, which were detailed in reports last week by the New York Times and NBC News, include money-laundering and drug smuggling. Noriega is also accused of providing intelligence information to Cuban authorities and arms to a Colombian rebel group called M-19.

Some sources also have implicated Noriega in the brutal slaying last September of Hugo Spadafora, a prominent opponent of Panama's military regime. Dr. Spadafora's beheaded body was found in Costa Rica after he charged that Noriega was involved in illegal drug operations.

Panama's government has officially denied the recent allegations. (According to the Associated Press, in a diplomatic note released Tuesday by the office of Panamanian President Eric Arturo Delvalle, the US government said, "We do not want to speculate about the allegations themselves. The government of Panama already has made its commentaries on the charges that have been made in these accounts.")

The press disclosure of the allegations against Noriega "makes a very difficult problem for us that could have been predicted," comments retired Adm. Thomas Moorer, a former chairman of the Joint Chiefs of Staff and an expert on Caribbean Basin matters. "The greatest surprise to me is that people are surprised."

Reports of Noriega's involvement in a wide range of illegal activities have quietly circulated in Washington and Panama for years. What is new, according to several sources familiar with the matter,

is the willingness of a number of US State Department, Pentagon, White House, and intelligence officials to cooperate with the press by privately corroborating the reports. Behind that willingness apparently lies an unspoken conclusion that without substantial reforms, Noriega may cease

to be a reliable custodian of American security interests in Panama, these sources speculate.

Noriega has been important to the US because he controls the military units that will defend the Panama Canal after it passes to Panamanian control in the year 2000. Also, his backing is said to be a key to the possible extension of base rights for the Panama-based US Southern Command after the change in control. Noriega has also been a source of useful intelligence for the US on Central America and Cuba.

Until now Noriega's role as a mainstay of US interests in Panama, combined with uncertainty as to whether any successor to Noriega would allow the US to continue its military and intelligence activities there, has prompted US officials to turn a blind eye to mounting evidence of official corruption.

But as the bill of particulars against Noriega has grown longer and the documentation more thorough, diplomatic calculations have changed. Following several fruitless private warnings to Noriega, administration officials are now said to believe that the Panamanian leader has become a liability to the US and that the options are for him either to reform or to resign. Failure to do either could lead to the very political instability and possible anti-American sentiment in Panama that would be most detrimental to long-term US security interests in the region, these sources say.

In their only public response to the Noriega charges, Reagan officials have dismissed the matter as "basically a Panamanian affair." A State Department official interviewed this week says the US "wouldn't ignore solid evidence" of corruption in Panama but declined to say whether any formal investigation into the charges was being undertaken.

Despite the official silence, US patience with Noriega appears to be at an end.

"It just got too embarrassing," adds a congressional source. "It was one thing when it was just money laundering. When it got into beheading opposition leaders and pushing out presidents, it got to be too much. It's now clear there are people in the administration who want to scare [Noriega] into reforms."

Experts note that any move designed to weaken Noriega's hold on power in Panama entails risks. The democratic opposition to the military regime is frag-

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mented and lacks a unifying leader like the late Philippine opposition leader Benigno Aquino. The sitting civilian President, Mr. Delvalle, installed by Noriega last year, has no political base of his own. Thus if Noriega should quit or be ousted in a barracks coup, Panama could be thrown into a period of political uncertainty.

Still, many observers say the alternative of wedding American security interests in Panama to a leader mired in corruption would be far worse.

"In the short run we may be sacrificing stability," says Dr. Jaime Suchlicki, director of the Institute of American Studies at the University of Miami. "But in the long run it's in the US interest to have the democratic process working in Panama. Putting US interests in the hands of another Somoza or Marcos is decidedly not in the US interest."